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## **STENEHJEM RELEASES LIST OF TOP TEN CONSUMER COMPLAINTS**

BISMARCK – Attorney General Wayne Stenehjem released information today showing that last year, the Consumer Protection Division of his office recovered over \$400,107 for North Dakota consumers.

For the past five years, telemarketers and telemarketing scams have topped the list of consumer complaint categories and that trend continued in 2007, reported Stenehjem. These complaints come from a variety of categories, including charitable solicitations, sweepstakes, lotteries, discount buying clubs and magazine subscriptions.

Professional fundraisers soliciting on behalf of charitable organizations generated the most consumer complaints in 2007. Almost all of the complaints involved Xentel, Inc., a professional fundraiser soliciting on behalf of an out-of-state charity that was not registered to solicit donations in North Dakota. "The Consumer Protection division determined that the charity had advised Xentel to not solicit in North Dakota and then initiated an enforcement action against Xentel requiring payment of \$5,600 in consumer refunds and \$25,000 in lieu of civil penalties," Stenehjem said.

The consumer protection division opened 1327 complaint files in 2007. Complaints were received in over seventy different categories. The "Top Ten" consumer complaints in 2007 were:

<b>Issue</b>	<b>Complaints</b>
1. Charitable Solicitations	204
2. Mail Order (problems with delivery, etc)	163
3. Multi-level Marketing (pyramid schemes)	89
4. Sweepstakes (telemarketing fraud)	88
5. Telephone (service/billing issues)	75
6. Travel scams (registration at local fairs)	58
7. Automobile (service complaints)	43
8. Discount Buying Clubs (telemarketing fraud)	42
9. Home Improvement (service/repair issues)	38
10. Internet (auctions & scams)	36

Fifty-one cases of identity theft were reported to the Consumer Protection division, up 30% from 2006. "Telemarketing and internet scams certainly contributed to the incidents of identity theft," Stenehjem said. He urged North Dakota residents to take advantage of the new "security freeze" law to protect their credit files.

"Most businesses will not open a credit account without first checking a consumer's credit history. If a consumer's credit file is 'frozen,' even someone who has stolen their

identity probably will not be able to get credit in the consumer's name," said Stenehjem. Information about the security freeze law and the forms to request a freeze are available on the Attorney General's website at [www.ag.nd.gov](http://www.ag.nd.gov) or by contacting the Consumer Protection Division toll free at 1-800-472-2600.

In 2007, the Consumer Protection division received 148 complaints from consumers reporting violations of the "Do Not Call" law. Of the complaints, 88 were for calls made to residents on do not call list and 60 related to the use of prerecorded messages. Stenehjem took action against 24 companies responsible for the violations, obtaining fines, settlements and judgments totaling almost \$70,650.

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